



FACT SHEET

PROPOSITION 53 WILL:

- 1 Close the loophole that allows politicians to issue massive new debt to pay for multi-billion dollar projects — without giving Californians the right to vote.
- 2 Require statewide voter approval for state revenue bond projects costing more than \$2 billion.
- 3 Hold Sacramento politicians accountable by requiring all multi-billion dollar state bonds go to a vote of the people.
- 4 Give voters a say when state government wants to incur enormous new debt that the public will have to repay.
- 5 Ensure voters understand the full cost of future projects, including interest payments, that they are expected to pay.

If taxpayers have to pay, they should have a say!

A MOUNTAIN OF DEBT

California is saddled with historic levels of debt that puts our long-term fiscal health in danger. Totalling over \$330 billion,¹ California's outstanding liabilities are unsustainable.

California has the third worst credit rating of any state in the nation. As a share of personal income, population, and gross domestic product, California's debt load is the third worst among the ten largest states.²

Californians deserve the right to vote on all new major bond debt before they, and future generations, are expected to pay.

1. Legislative Analyst's Office, "Addressing California's Key Liabilities," May 7, 2014.

2. John Chiang, California State Treasurer, "California Debt Affordability Report," Oct. 2015.

SACRAMENTO'S LOOPHOLE

With \$330 billion in debt, Sacramento politicians have maxed out California's credit card, and it is time for voters to stop them from spending more than we can afford.

However, Sacramento politicians are still pushing for controversial projects estimated to cost nearly \$100 billion.

To avoid the public review and accountability that comes with getting voter approval for these controversial, multi-billion dollar projects, politicians want to use a loophole that will allow them to borrow billions in new revenue bond debt without giving voters a voice. Since taxpayers are the ones who have to pay, voters should have a say.

"This measure is simple. It would allow voters a say on the state's biggest, most expensive projects that impact all of us."

Mary N. Piepho and Karen Mitchoff, Contra Costa County Supervisors
Contra Costa Times, 11/20/15

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